

MINUTES
STATE BUILDING COMMISSION
Executive Subcommittee
March 19, 2012

The State Building Commission Executive Subcommittee met this day at 10:30 a.m. in House Hearing Room 30, Legislative Plaza, Nashville, Tennessee. Chairman Emkes called the meeting to order at 10:30 a.m. and requested action on the following matters as presented by Assistant State Architect Alan Robertson.

STATE BUILDING COMMISSION SUB-COMMITTEE MEMBERS PRESENT

Chairman Mark Emkes, Commissioner, Department of Finance and Administration
Vice-Chairman Tre Hargett, Secretary of State
Justin Wilson, Comptroller of the Treasury

STATE BUILDING COMMISSION SUB-COMMITTEE MEMBERS ABSENT

David Lillard, State Treasurer

OTHERS PRESENT

Alan Robertson, Assistant State Architect
Georgia Martin, Office of the State Architect
Jurgen Bailey, Department of General Services
Steve Berry, Department of General Services
Jonathan Rummel, Secretary of State's Office
Joy Harris, Treasurer's Office
Melinda Parton, Comptroller's Office
Bruce Davis, Legislative Budget Office
Janie Porter, Attorney General's Office
Genie Whitesell, Attorney General's Office
Dick Tracy, Tennessee Board of Regents
Peter Heimbach, Department of General Services
Jose McNeill, Department of General Services
Robbi Stivers, University of Tennessee
George Criss, University of Tennessee
Scott Boelscher, THEC
Sean Tierney, THEC

Kim Adkins, Codell Construction
Gordon Martin, Tennessee Wildlife Resources
Agency
Steve Patrick, Tennessee Wildlife Resources
Agency
Mendy Mazzo, Skanska
Katy Rayburn, Skanska
Dennis Georgatos, Skanska
Tom Robinson, Department of Correction
Steve Westerman, Department of Correction
Mark Cherpack, Department of Finance and
Administration
John Carr, Department of Finance and
Administration
Tami Robison, Department of General Services
Bob Qualey, Department of General Services
Jose McNeill, Department of General Services

Table of Contents

Consent Agenda Listing	3
Capital Projects	
Tennessee Board of Regents	4
University of Tennessee	5
Land Transactions	
University of Tennessee.....	7
Tennessee Wildlife Resources Agency	10
State Building Commission	
Minutes / Reports / Designer Selections	11
Consent Agenda Lead Sheets	12

CONSENT AGENDA

Approved the following real property transactions that had been reviewed and recommended for approval by Subcommittee staff:

- A. Agency: **University of Tennessee – Franklin County**
Transaction: Disposal by easement
Provision: Waiver advertisement and appraisals

- B. Agency: **University of Tennessee – Knox County**
Transaction: Acquisition in fee
Provision: Waiver advertisement and one appraisal

- C. Agency: **Tennessee Wildlife Resources Agency – Hancock County**
Transaction: Disposal by easement
Provision: Waiver advertisement and appraisals

- D. Agency: **Tennessee Wildlife Resources Agency – Lake County**
Transaction: Disposal in fee
Provision: Waiver advertisement and appraisals

- E. Agency: **Tennessee Wildlife Resources Agency – Scott County**
Transaction: Disposal by easement
Provision: Waiver advertisement and appraisals

- F. Agency: **Tennessee Wildlife Resources Agency – Scott County**
Transaction: Disposal by easement
Provision: Waiver advertisement and appraisals

- G. Agency: **Tennessee Wildlife Resources Agency – Anderson County**
Transaction: Disposal by easement
Provision: Waiver advertisement and appraisals

- H. Agency: **Tennessee Wildlife Resources Agency – Anderson County**
Transaction: Disposal by easement
Provision: Waiver advertisement and appraisals

- I. Agency: **Department of Correction – Morgan County**
Transaction: Disposal by lease
Provision: Waiver advertisement and appraisals

- J. Agency: **Department of General Services**
Transaction: Report Item

TENNESSEE BOARD OF REGENTS

Nashville State Community College, Nashville, Davidson County, Tennessee

Requested Action: Approval of a revision in project budget and source(s) of funding in order to award a contract

Project Title: Clarksville Teaching Site Renovations

Project Description: Interior and exterior renovations

SBC Number: 166/034-02-2011

Revised Project Budget: \$3,154,239.00

Source of Funding:	<u>Original</u>	<u>Change</u>	<u>Revised</u>		
	\$2,929,619.00	\$224,620.00	3,154,239.00	Plant (Non-Auxiliary)	(A)
Original Project Budget:	<u>\$2,929,619.00</u>				
Change in Funding:		\$224,620.00	\$3,154,239.00		
Revised Project Budget:					

Comment: Ten bids were received on February 29, 2012.

Previous Action: 10/13/2011 SBC Approved project
10/24/2011 ESC Selected designer (Lyle Cook Martin Architects, Inc.)
03/08/2012 SBC Revised budget and funding

Minutes: 03/19/2012 ESC Revised budget and funding

UNIVERSITY OF TENNESSEE

University of Tennessee, Knoxville, Knox County, Tennessee

Requested Action: Approval to award a contract to the best evaluated proposer for a Construction Manager/General Contractor

Project Title: Residence Hall

Project Description: To provide for a new residence hall for approximately 700 students. This facility will include approximately 5,000 gsf of campus dining space.

SBC Number: 540/009-29-2007

Total Project Budget: \$59,000,000.00

Source of Funding: \$41,000,000.00 TSSBA (A)
\$18,000,000.00 Plant Funds-Auxiliary – Housing (A)

Comment: Proposals for a CM/GC were received March 2nd, 2012.

Previous Action: 09/13/2007 SBC Approved project & designer (JV-Cope / Weeks Ambrose McDonald)
02/09/2012 SBC Revised funding; approved issuing RFP for CMGC
03/08/2012 SBC Referred to ESC with authority to act

Minutes: 03/19/2012 ESC Approved award to Blaine Construction for CMGC

UNIVERSITY OF TENNESSEE

University of Tennessee, Chattanooga, Hamilton County, Tennessee

Requested Action: Approval of a revision in project budget and source (s) of funding in order to award a contract for construction

Project Title: Bretske Hall Improvements

Project Description: Exterior and building systems repairs and replacement

SBC Number: 540/005-14-2010

Total Project Budget: \$2,140,000.00

Source of Funding:	<u>Original</u>	<u>Change</u>	<u>Revised</u>		
	\$ 45,000.00	\$ 0.00	\$ 45,000.00	Federal ARRA	(F)
	1,495,000.00	0.00	1,495,000.00	2011 State Funds	(A)
	0.00	600,000.00	600,000.00	Plant (Non-Auxiliary)	(A)

Original Project Budget: \$1,540,000.00

Change in Funding: \$600,000.00

Revised Project Budget: \$2,140,000.00

Comment: Bids were received February 9, 2012 and all bids exceeded the bid target. Two bidders submitted the low bid in the identical amount of \$1,790,000. The award will be determined in accordance with SBC policy for resolving the bids.

Previous Action:

- 07/08/2010 SBC Approved project
- 07/23/2010 ESC Selected designer (Hefferlin + Kronenberg)
- 02/10/2011 SBC Approved revision in scope & funding
- 07/14/2011 SBC Approved revision in source of funding
- 03/08/2012 SBC Referred to ESC with authority to act

Minutes: 03/19/2012 ESC Revised budget and funding

UNIVERSITY OF TENNESSEE

Land Transaction

Requested Action: Approval of disposal in fee with waiver of advertisement and one appraisal

Description: Anderson County – 58 +/- acres – Bethel Valley Road, Oak Ridge, TN – Trans. No. 12-02-011 (Baugh)

Purpose: Disposal in fee in exchange for acquisition of 83+/- acres located in Monroe County plus \$400,000.

Date of Original Conveyance: Aug. 21, 1961

Grantor Unto State: USA Government

Estimated Sale Price: N/A

Grantee: Rogers Group, Inc.

Comments: The University of Tennessee proposes to exchange approx. 58+/- acres of vacant land located in Oak Ridge, (Anderson County) for approx. 83+/- acres of vacant land plus \$400,000 cash. Rogers Group, Inc. owns the 83+/- acres located on Hwy. 11 in Sweetwater TN (Monroe County). The University will also harvest and sell the timber from the 58+/- acres.

SSC Report: 03/12/2012. Jurgen Bailey presented the transaction. Robbi Stivers summarized the transaction. Rogers Group, Inc. wants the property for mining limestone. Limestone revenues will also be negotiated by UT for a per ton percentage interest in the present value of the limestone. Staff referred to Subcommittee with recommendation.

Minutes: 03/19/2012 Approved transaction as presented.

UNIVERSITY OF TENNESSEE

Land Transaction

Requested Action: Approval to obtain title work, appraisal, survey, phase 1 environmental assessment and exercise option to acquire or accept as gift required interest, not to exceed appraised value with waiver of advertisement and one appraisal

Description: Monroe County – 83 +/- acres – Hwy 11, Sweetwater, TN – Trans. No. 12-02-012 (Baugh)

Purpose: Acquisition in fee to exchange to UT Institute of Agriculture (UTIA) for 58+/- acres in Anderson County with an additional \$400,000 in consideration

Estimated Sale Price: N/A

Estimated Title, Appraisal and Survey Fees: Fair Market Value

Source of Funding: Gifts (0)

Owner(s): Rogers Group, Inc.

Comment:

Purchased:	July 31, 2009
Purchase price:	\$1,178,913
Tax Assessor's Value:	\$730,600
Master Plan:	No
Improvement Sq. Ft.	None

SSC Report: 03/12/2012. Jurgen Bailey presented the transaction. Robbi Stivers summarized the transaction. Staff referred to Subcommittee with recommendation.

Minutes: 03/19/2012 Approved transaction as presented.

UNIVERSITY OF TENNESSEE

Land Transaction

Requested Action: Approval of disposal by lease with waiver of advertisement and appraisals

Description: Knox County – 140 +/- acres – Cherokee Farm, Knoxville, TN – Trans. No. 12-02-013 (Baugh)

Purpose: Disposal by Master Ground lease and agreement for Development Management Services from UT to the University of Tennessee Research Foundation for future development of Cherokee Farm and approval of template Sub-Lease Agreement.

Term: Sixty (60) years with one (1) forty (40) year option to renew

Source of Funding: Plant Funds – Auxiliary Sources (ORNL Management Fee) (A)

Consideration: Rents from tenants that lease tracts as the need arises

Lessee: The University of Tennessee Research Foundation

SSC Report: 03/12/12. Jurgen Bailey presented the transaction. Robbi Stivers summarized the transaction. He stated that the Cherokee properties uses would be controlled by the following four documents: UT Master Plan; Master Ground Lease; Agreement for Development Management Services and the templates for Sub-Lease Agreements. Staff requested that any major deviations from the sublease template be reported back to the SBC along with an annual status report on the progress of the developments. The University can modify the template sublease with the underlying approval of the transaction and the controlling documents. Staff referred to Subcommittee with recommendation.

Minutes: 03/19/2012. Comptroller Wilson made a motion to approve the request subject to approval of the documents by the Attorney General's office, SBC staff and the Comptroller. The motion was properly seconded and passed without objection.

TENNESSEE WILDLIFE RESOURCES AGENCY

Land Transaction

- Requested Action:** Approval to grant of a Right of Entry with waiver of advertisement and appraisals
- Description:** Cumberland County – 200 +/- acres for Right of Entry – Catoosa WMA, Crossville, TN – Trans. No. 12-02-007 (Jackson)
- Purpose:** Approval to grant Right of Entry for coal exploration to determine if there are sufficient quantities of coal to create a logical mining unit. The State would permit Crossville coal to enter upon state land at Catoosa WMA comprising of 200 +/- acres for the sole purpose of coal exploration.
- Grantee:** Crossville Coal Inc.
- Comment:** Crossville Coal Inc. will restore lands upon completion of drilling. Mineral rights owned by TWRA.
- SSC Report:** 03/12/2012. Jurgen Bailey presented the transaction. Steve Patrick, Assistant Director of TWRA summarized the transaction. He stated that this is the first time for deep mining on any of TWRA properties. This mining is for a rare coal (metallurgical coal) that is used to make high grade steel. The revenues from this project will be used for improvements at Catoosa WMA. Drilling will start in May and end in September before hunting season. Steve Patrick stated that TWRA will be monitoring the streams to make certain that this drilling will not impact any wildlife. Staff referred to Subcommittee with recommendation.
- Minutes:** 03/19/2012. Comptroller Wilson made a motion to approve the request after commenting that, before anyone enters the property, the agency should include in the Right-of-Entry that this action would not adversely affect the area. He also stipulated that this approval did not commit to any future mining leases. The motion was properly seconded and passed without objection.

STATE BUILDING COMMISSION

Minutes of Executive Subcommittee Meeting

- 1) Approved the Minutes of the Executive Subcommittee meeting held on February 21, 2012.

Acknowledgment of Reports

- 1) Report acknowledged of the following designer selection for a previously reported project below the Major Maintenance Threshold
 - a) State Procurement Agency: STREAM
User Agency: Department of Correction
Location: South Central Correctional Complex
Project Title: Plumbing Infrastructure Investigation & Analysis
SBC Project No. 142/018-01-2012
Total Project Budget: \$120,000.00
Source of Funding: 07/08 Current Funds-Sentencing Act (R)
Previous Action: 03/08/2012 Reported to SBC
Designer: ICE EAST, LLC

Designer Selections

The Subcommittee approved the following as recommended by the State Procurement Agencies.

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| <ol style="list-style-type: none">1) University of Tennessee Chattanooga
(Arena Seating / Curtain System Improvements)
Total Project Budget: \$1,200,000.00
SBC Project No. 540/005-01-2012
Designer: DERTHICK HENLEY WILKERSON2) John S. Wilder Youth Development Center
(Secure Unit Door Replacement)
Total Project Budget: \$245,000.00
SBC Project No. 144/011-01-2012
Designer: SELF TUCKER ARCHITECTS3) Booker T. Washington State Park
(Group Camp Renovation)
Total Project Budget: \$1,960,000.00
SBC Project No. 126/010-01-2012
Designer: TWH ARCHITECTS | <ol style="list-style-type: none">4) Chickasaw State Park
(Replace Group Camp Cabin & Pavilion)
Total Project Budget: \$210,000.00
SBC Project No. 126/021-01-2012
Designer: ARCHITECTURE INC5) Meeman-Shelby Forest State Park
(Replace Museum Shelter Pavilion)
Total Project Budget: \$190,000.00
SBC Project No. 126/089-01-2012
Designer: ARCHITECTURE INC |
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There being no further business, the meeting adjourned at 10:47 a.m.

UNIVERSITY OF TENNESSEELand Transaction

Requested Action:	Approval of disposal by easement with waiver of advertisement and appraisals
Description:	Franklin County – 1.16 +/- acres – Robert W. Kamm Road, Estill Springs, TN – Trans. No. 12-02-010 (Baugh)
Purpose:	Disposal by easement to the City of Estill Springs for ingress/egress easement and a 200,000 gallon water tank to support UT Space Institute for emergency fire flow to benefit UTSI.
Estimated Sale Price:	Gift in 1964
Source of Funding:	Gift for public purpose
Grantee:	The City of Estill Springs
SSC Report:	03/12/2012. Jurgen Bailey presented the transaction. Staff referred to Subcommittee for consent agenda.
Minutes:	03/19/2012. Approved the request as presented.

UNIVERSITY OF TENNESSEELand Transaction

Requested Action: Approval to obtain title work, appraisal, survey, and exercise option to acquire or accept as gift required interest, not to exceed appraised value with waiver of advertisement and one appraisal

Description: Knox County – 0.17 +/- acres – unnamed alley, Knoxville, TN – Trans. No. 12-02-014 (Baugh)

Purpose: Acquisition in fee of an alley from the City of Knoxville to facilitate the construction of a new dormitory building and for pedestrian and public safety

Estimated Sale Price: Gift

Estimated Title, Appraisal and Survey Fees: Fair Market Value

Source of Funding: Plant funds – Auxiliary Sources (gift) (A)

Owner(s): The City of Knoxville

Comment:

Purchased:	Unknown
Purchase price:	Unknown
Tax Assessor's Value:	Not taxed as city property
Master Plan:	Yes
Improvement Sq. Ft:	None

SSC Report: 03/12/2012. Jurgen Bailey presented the transaction. Staff referred to Subcommittee for consent agenda.

Minutes: 03/19/2012. Approved the request as presented.

TENNESSEE WILDLIFE RESOURCES AGENCYLand Transaction

Requested Action:	Approval of disposal by easement with waiver of advertisement and appraisals
Description:	Hancock County - .40 +/- acres – Hwy. 33, Sneedville, TN – Trans. No. 12-02-006 (Jackson)
Purpose:	Disposal by easement for a waterline and easement will allow the Sneedville Utility District to construct, maintain and access a waterline easement to benefit the local community.
Estimated Sale Price:	Grant for public purpose
Source of Funding:	Sneedville Utility District
Grantee:	Sneedville Utility District
Comment:	The easement will benefit the local economy and population.
SSC Report:	03/12/2012. Jurgen Bailey presented the transaction. Staff referred to Subcommittee for consent agenda.
Minutes:	03/19/2012. Approved the request as presented.

TENNESSEE WILDLIFE RESOURCES AGENCYLand Transaction

Requested Action: Approval of disposal in fee with waiver of advertisement and appraisals

Description: Lake County – .0256 +/- acres – Tiptonville, TN – Trans. No. 12-02-008 (Jackson)

Purpose: Disposal in fee to allow Lake County the needed land rights to build a county bridge.

Source of Funding: Grant for public purpose

Grantee: Lake County

Comment: Department of Transportation will be building the new bridge and then Lake County will be responsible for the up keep of the bridge.

SSC Report: 03/12/2012. Jurgen Bailey presented the transaction. Staff referred to Subcommittee for consent agenda.

Minutes: 03/19/2012. Approved the request as presented.

TENNESSEE WILDLIFE RESOURCES AGENCYLand Transaction

Requested Action: Approval of disposal by easement with waiver of advertisement and appraisals

Description: Scott County – 2.7+/- acres – Near Little Mountain, TN – Trans. No. 12-02-015 (Jackson)

Purpose: Disposal by easement for a gas well, pipeline and access as needed on Sundquist WMA.

Estimated Sale Price: \$500

Grantee: Knox Energy / CNX Gas Company LLC

Comment: The State owns the surface rights and Knox Energy owns the mineral rights. Well site AD-1094. Per the agreement total acreage below 4.77 +/- acres is \$500 fee.

SSC Report: 03/12/2012. Jurgen Bailey presented the transaction. Staff referred to Subcommittee for consent agenda.

Minutes: 03/19/2012. Approved the request as presented.

TENNESSEE WILDLIFE RESOURCES AGENCYLand Transaction

Requested Action: Approval of disposal by easement with waiver of advertisement and appraisals

Description: Scott County – 2.7+/- acres – Near Little Mountain, TN – Trans. No. 12-02-016 (Jackson)

Purpose: Disposal by easement for a gas well, pipeline and access as needed on Sundquist WMA.

Estimated Sale Price: \$500

Grantee: Knox Energy / CNX Gas Company LLC

Comment: The State owns the surface rights and Knox Energy owns the mineral rights. Well site AD-1093. Per the agreement total acreage below 4.77 +/- acres is \$500 fee.

SSC Report: 03/12/2012. Jurgen Bailey presented the transaction. Staff referred to Subcommittee for consent agenda.

Minutes: 03/19/2012. Approved the request as presented.

TENNESSEE WILDLIFE RESOURCES AGENCYLand Transaction

Requested Action: Approval of disposal by easement with waiver of advertisement and appraisals

Description: Anderson County – 2.43+/- acres – Near Little Mountain, TN – Trans. No. 12-02-017 (Jackson)

Purpose: Disposal by easement for a gas well, pipeline and access as needed on Sundquist WMA.

Estimated Sale Price: \$500

Grantee: Knox Energy / CNX Gas Company LLC

Comment: The State owns the surface rights and Knox Energy owns the mineral rights. Well site AD-1096. Per the agreement total acreage below 4.77 +/- acres is \$500 fee.

SSC Report: 03/12/2012. Jurgen Bailey presented the transaction. Staff referred to Subcommittee for consent agenda.

Minutes: 03/19/2012. Approved the request as presented.

TENNESSEE WILDLIFE RESOURCES AGENCYLand Transaction

Requested Action:	Approval of disposal by easement with waiver of advertisement and appraisals
Description:	Anderson County – 2.18+/- acres – Near Little Mountain, TN – Trans. No. 12-02-018 (Jackson)
Purpose:	Disposal by easement for a gas well, pipeline and access as needed on Sundquist WMA.
Estimated Sale Price:	\$500
Grantee:	Knox Energy / CNX Gas Company LLC
Comment:	The State owns the surface rights and Knox Energy owns the mineral rights. Well site AD-1095. Per the agreement total acreage below 4.77 +/- acres is \$500 fee.
SSC Report:	03/12/2012. Jurgen Bailey presented the transaction. Staff referred to Subcommittee for consent agenda.
Minutes:	03/19/2012. Approved the request as presented.

DEPARTMENT OF CORRECTIONLand Transaction

Requested Action:	Approval of disposal by lease with waiver of advertisement and appraisals
Description:	Morgan County – 16.26 +/- acres – Brushy Mountain State Correctional Complex, Petros, TN – Trans. No. 12-01-013 (Baugh)
Purpose:	Disposal by lease to lease the water treatment plant facility to the Cumberland Utility District for operation and maintenance. Facility is no longer needed by Correction due to the closing of Brushy Mountain State Penitentiary.
Term:	Five (5) years
Consideration:	Mutual benefits
Lessee:	Cumberland Utility District
SSC Report:	02/13/2012. Jurgen Bailey presented the transaction. Staff referred to Subcommittee with recommendation.
SC Report:	02/21/2012. Jurgen Bailey asks for this to be deferred until next month.
SSC Report:	03/12/2012. Jurgen Bailey presented the transaction. Staff referred to Subcommittee for consent agenda.
Minutes:	03/19/2012. Approved the request as presented.

DEPARTMENT OF GENERAL SERVICESLand Transaction

Report Item: Pursuant to State Building Commission Policy and Procedures. Item 8.01 (J) Report Items as approved on September 2011.

For all acquisitions and disposals of Interest in Real Property, closed in the previous quarter, that have been previously approved by the Executive Subcommittee, the following information shall be reported back to the Executive Subcommittee by STREAM on a quarterly basis (September 22, 2011 – February 21, 2012).

1. Resulting appraisal value(s)
2. Final purchase or sales price
3. Amount(s) and sources(s) of funding used or received.

SSC Report: 03/12/2012. Jurgen Bailey presented the transaction. Staff referred to Subcommittee for consent agenda.

Minutes: 03/19/2012. Approved the request as presented.

Approved:

Mark A. Emkes, Commissioner
Department of Finance and Administration